Virginia Information Technologies Agency

VITA

A Refresh of
The Commonwealth of Virginia
Strategic Plan for Technology

— Draft —

expect the best

March 16, 2005

About the Cover:

VITA equals people first, is customer-driven and customer-focused, and is committed to growing its people through ongoing training/re-training throughout their professional careers. In our logo, we highlight individuals of our agency that make VITA a success seven days a week, 365 days a year. We are currently featuring the following outstanding VITA employees in our logo (from left to right): Christopher Eaton, Desktop Support Engineer serving the Virginia Department of Transportation; Cathy Nott, Service Level Director for the Virginia Department of Agriculture and Consumer Services; Renea Dickerson, Security Services; and Charles Green, Media Specialist. Their combined state service represents more than 40 years of contributions to the Commonwealth.

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Introduction

In September 2002, the Office of the Secretary of Technology published *Virginia in the Global Digital Economy: Commonwealth of Virginia Strategic Plan for Technology* on behalf of Governor Mark R. Warner. This document constitutes the 2005 update to that plan, as directed by Lemuel C. Stewart, Jr., Chief Information Officer of the Commonwealth, and approved by the Information Technology Investment Board (ITIB), in accordance with requirements in §2.2-2007(1) of the *Code of Virginia*.

The 2002 Plan set out bold transformational initiatives covering eight topic areas, as further outlined below. The first four of these initiatives are now under the purview of the CIO and ITIB and are updated herein. The remaining four have been championed by Virginia's Center for Innovative Technology (www.cit.org) and incorporated into that agency's business plan.

To synchronize statewide IT strategic planning with the new statewide strategic planning process outlined by the Council on Virginia's Future and promulgated and executed by the Department of Planning and Budget, the ITIB approved this update at its April 13, 2005 meeting. This schedule allows Executive Branch agencies appropriate opportunity to use this update in preparing their individual agency strategic (business) plans and strategic IT plans in advance of their June 15, 2005 due date.

Influencing Events

Since the publication of the 2002 Plan, several significant events have shaped accomplishment of plan objectives to-date and will continue to influence plan-related achievements in the future.

Significant relevant initiatives coming out of the 2003 General Assembly session include:

- Creation of the Virginia Information Technologies Agency, overseen by a new Chief Information Officer (CIO) of the Commonwealth and supervised by the new ITIB, as the organizational vehicle for transforming the state's IT infrastructure. For further information on this new IT structure, see http://www.vita.virginia.gov/about/vitaleg.cfm .

- Amendment of the Public Private Educational Facilities and Infrastructure Act of 2002 (PPEA) to include technology initiatives as allowable projects under the innovative provisions of the act.

- Creation of the Council on Virginia's Future to establish ways to measure Virginia's current status, prioritize future goals, and establish metrics to help measure progress toward meeting those goals. Included in the Council's two interim reports to date are several initiatives and performance measures impacting, or specific to, IT services. Additional information on this Council and its activities can be found at www.future.virginia.gov .

Since their inception, the Information Technology Investment Board and the Commonwealth CIO have taken a number of relevant actions, including:

- Creation of an enhanced, business-driven IT investment management process to identify funding priorities as well as prospective shared services and enterprise services opportunities.

- Extensive, ongoing evaluation of unsolicited PPEA proposals as potential vehicles for obtaining the investment capital and expertise needed to effectively transform and consolidate the Commonwealth's IT infrastructure.

- Development of the VITA Business Plan (http://www.vita.virginia.gov/docs/pubs/businessPlan/businessPlan.cfm), including 11 major objectives that define how the Commonwealth's IT environment will be shaped over the next five years.

Process

The 2002 "Commonwealth Strategic Plan for Technology" identified eight "initiatives" (see "Strategic Plan Initiatives" in this report). Of these eight, the first four initiatives were deemed the responsibility of the Virginia Information Technologies Agency (VITA) and are addressed in this report.

The four Initiatives for which VITA is responsible are comprised of nine "Projects" (as described in *An Update of the Initiatives* section of this report). Project information regarding: (1) VITA's accomplishments since the publication of the 2002 Strategic Plan; and, (2) VITA's plans for FY 2006 through FY 2009 were developed by the VITA business owners responsible for the projects and was used develop a draft report to "refresh" the 2002 Strategic Plan.

The draft report was then reviewed and approved, in turn, by VITA, the CIO of the Commonwealth, a committee of the Council on Technology Services (advisory body to the CIO), and the Information Technology Investment Board.

Guiding Principles

The 2002 Strategic Plan identified seven guiding principles that continue to provide a sound framework for developing and implementing the strategic plan:

1. **Exponential change, not incremental change.** To be effective in the fast-paced global economy and respond effectively and efficiently, Virginia must take bold strides forward, not small, incremental steps.

2. **Technology is not an end unto itself.** Technology supports the overall mission, or business, of government operations, and is a tool to increase capacity and create efficiencies, with the ultimate goal of providing more effective and convenient services to customers. Technology is not a separate discipline—there are no "technology projects." Technology is an enabler and a component of "business" initiatives.

3. **Technology is complex.** Technology, particularly in the new global digital economy, is complex and evolves rapidly. In addition, information often has intangible value. As a corollary, technology is expensive, yet considerable cost-savings and cost-avoidance can be achieved through pooling resources and architecting standardized products and services.

4. **Performance measurement is at the crux of decision-making.** Responsible decision-making relies on quantitative and qualitative data to determine the effectiveness of existing practices, set direction and goals, and measure success in a continuous loop.

5. **Technology relies on increasing cooperation across traditional borders.** Today's increasingly networked environment requires cooperation and partnership—across agencies; among federal, state, and local governments; and between public and private sector organizations.

6. **Accountability drives results.** Government is accountable to its customers, and is accountable for the responsible stewardship of tax dollars. Similarly, the Information Technology Investment Board, the Chief Information Officer of the Commonwealth, and the Office of the Secretary of Technology and its agencies, boards, and commissions are accountable for the implementation of the strategic plan.

7. **Urgency.** The continued well-being of Virginia, its citizens, and its businesses is closely tied to the efficient and effective management and use of technology and requires urgent, strategic action. ***We must act now.***

Strategic Plan Initiatives

Based on the Governor's vision for technology, eight significant initiatives were identified in the 2002 Strategic Plan.

1. **Revolutionize service delivery to our customers** through implementation of a customer-facing Internet portal and increasing the quantity, quality, and adoption of online services, particularly in the area of online licensure and interactive forms.

2. **Consolidate IT infrastructure and provide centralized services** as a technology utility. The plan also called for developing a comprehensive, statewide information security program and for overhauling state administrative systems in the area of finance, planning and budgeting, and human resources.

3. **Plan, budget, and track IT expenditures** by developing a capital planning and funding process for IT, developing a comprehensive technology management policy, and improving systems to track IT expenditures.

4. **Manage IT procurement** by developing and implementing a best practice model for effective and timely IT procurements.

5. **Increase federal research and development funding** to industry and Virginia's colleges and universities, including historically black colleges and universities (HBCUs).

6. **Increase commercialization of intellectual property** from Virginia's labs, entrepreneurs, and institutions of higher education, and grow entrepreneurial companies.

7. **Increase statewide broadband deployment,** especially in Virginia's rural areas, to enhance economic development.

8. **Promote technology-based economic development** in Virginia by "growing" technology companies.

The first four of these Initiatives are the responsibility of VITA and are addressed in this update. The remaining four are the responsibility of the Center for Innovative Technology, and are reflected in the goals and priorities for 2005, available at http://www.cit.org/goals-05.asp.

An Update of the Initiatives

Much has been accomplished since these four initiatives and their related projects were identified in the 2002 Strategic Plan, and substantial refinements and additional details have been added for the efforts remaining to be accomplished.

The balance of this "Update to the 2002 Strategic Plan" addresses each of the four initiatives and their nine related projects, providing information on "Accomplishments" since the publication of the 2002 Strategic Plan, and on future "Plans for FY 2006 through FY 2009".

Initiative 1 – Revolutionize service delivery to our customers

Project 1: Implement a customer-facing Internet portal
Project 2: Increase quantity, quality, and adoption of online services

Initiative 2 – Consolidate IT infrastructure and provide centralized services

Project 1: Consolidate technologies
Project 2: Develop a program for statewide IT security
Project 3: Overhaul state administrative systems

Initiative 3 – Plan, budget, and track IT expenditures

Project 1: Develop a capital planning and funding process for IT
Project 2: Develop a comprehensive technology management policy
Project 3: Improve systems to track IT expenditures

Initiative 4 – Manage IT procurement

Project 1: Develop and implement a best practices model for IT procurement

Projected deliverables for FYs 2006 through 2009 reflect the latest available information on the nature and timing of activities in each of these major initiatives. Decisions on the PPEA proposals currently under evaluation, including whether and how to proceed with such public-private partnerships, are scheduled to be forthcoming in late summer 2005. Those decisions, in turn, may significantly impact how and when components of each initiative will ultimately be accomplished. Such impacts will be fully reflected in the 2007-2010 edition of the Statewide Strategic IT Plan, development of which will begin in early fall 2005 for ITIB approval and publication in April 2006.

Introduction

While certainly not the only service delivery mechanism, the Internet is a cornerstone in building Virginia's "anytime-anywhere" digital government. Self-service web-enabled applications allow more citizens and businesses to interact with government (e.g., completing transactions via the Web) in a "twenty-four by seven" environment leading to more efficient and effective government.

The projects within this initiative are:

- Implement a customer-facing Internet portal and

- Increase the quantity, quality, and adoption of online services.

Project 1:
Implement a Customer-Facing Internet Portal

A customer-facing presentation of online information and services is one of the most important priorities for Virginia's Internet portal. Creating a customer-facing portal requires Virginia to implement solutions that focus on the needs of citizens and businesses. The Commonwealth's portal and all state agencies within the portal should have web sites that are intuitive, easy to use, and accessible, without jargon, confusing program names, and acronyms. Consequently, some degree of Web site standardization is necessary and appropriate.

Accomplishments

Since the publication of the 2002 Strategic Plan, VITA has implemented thirteen internet "templates or tools" for use by Commonwealth agencies:

- Enterprise Payment Portal
- Content management
- Google search engine
- Web based security training
- Live Help on portal
- Privacy compliance
- Constituent notification service

- Shopping cart service
- Activities calendar service
- Wireless enabled services
- Conference registration service
- Online payment of moving violations
- Agency evaluation tool for projecting and measuring cost savings

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	Begin migrating agencies toward Web design policies, standards and guidelines
	Continue developing new wireless services
2007	Continue migrating agencies toward the accepted Web design standards, policies and guidelines (60% of agencies migrated by end of FY 2007)
2008	Continue migrating agencies toward the accepted Web design standards, policies and guidelines (100% of agencies migrated by end of FY 2008)
2009	Maintain portals

Project 2
Increase the Quantity, Quality, and Adoption of Online Services

Government is primarily in the business of providing services. Tasks that require a visit to a government office or a telephone call during office hours can be performed by citizens and businesses more effectively and cheaply through the Internet whenever and wherever they please, thereby making interaction with government much more convenient for citizens and businesses. Therefore, the Commonwealth is emphasizing developing, implementing and adapting more of its services to be delivered via the Internet.

Accomplishments

Since the publication of the 2002 Strategic Plan, VITA, in partnership with a number of agencies and localities, has implemented fourteen internet services for direct use by citizens:

- Boat registration renewal service
- Job registration renewal service
- Online pesticide application
- Hunting and fishing licenses
- Hunting and Fishing Licenses Point of Sale Service (78 Wal-Mart stores have gone online with the service)
- State Bar Association complaint filing
- Department of Charitable Gaming online quarterly financial reporting

- Virginia teacher PC online purchase
- Online admission application for Longwood University
- Kids Commonwealth site
- Virginia Excels online performance metrics
- Healthy Virginia's scorecard
- Virginia Corps Volunteer Organization search capability
- Governor's Office Substance Abuse Prevention online social indicators

The following reflects adoption rates for these and other key online services in the Commonwealth. Adoption rates are defined as the percentage of the eligible population who are using the Internet version of a particular service. Adoption rates for these services vary from 6 percent to 100 percent.

Online Service	Adoption Rate
Hunting and fishing license	48%
Pesticide applications	0% *
Boat registration renewal	30%
Online customer assistance system	51%
State Parks and camp site reservations	10%
Real time alerts	100%
VIN validation search	100%
Doctor/Dentist/Nurse credential status look up	100%
Hospital accreditation lookup	100%
Contractor status look up	100%
Job search	100%
eVA	94%
Regulatory town hall (e-rule making)	100%
Restaurant inspections	100%
Individual income tax filing and payment	36%
Transportation Project Transparency	100%
Physician renewal	34%
Nurse renewals	37%
Business registration renewal	6%
Vehicle registration renewal	13%
Driver license renewal	29%

* Agency has not launched service

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	Provide IT support to agencies for achieving the Council on Virginia's Future objective of 70% of eligible state services online
	Launch virginia.gov business portal
	Re-design/Enhance virginia.gov portal
	Utilize GIS to enhance service offerings to citizens and businesses
	Launch Enterprise Licensing solution
	Place in the top 3 in the Center for Digital Government's Best of the Web competition and Digital States Survey

Fiscal Year	Initiative
2007	Provide IT support to agencies for achieving the Council on Virginia's Future objective of 80% of eligible state services online
	Develop a one-stop-business-licensing application for the business portal
	Continually upgrade/enhance the virginia.gov Portal
	Increase usage of the Enterprise Licensing solution (40% of licenses should be available for renewal online by end of FY 2007)
	Place in the top 3 in the Center for Digital Government's Best of the Web competition and Digital States Survey
2008	Provide IT support to agencies for achieving the Council on Virginia's Future objective of 90% of eligible state services online
	Continually upgrade/enhance the virginia.gov portal
	Increase usage of the Enterprise Licensing solution (70% of licenses should be available for renewal online by end of FY 2008)
	Place in the top 3 in the Center for Digital Government's Best of the Web competition and Digital States Survey
2009	With the number of services available always increasing, maintain the 90% of available services online metric.
	Re-design/Enhance virginia.gov portal
	Increase usage of the enterprise Licensing solution (90% of licenses should be available for renewal online by end of FY 2009)
	Place in the top 3 in the Center for Digital Government's Best of the Web competition and Digital States Survey

Introduction

As observed in 2002, the stovepipe nature of many agency business processes and technology implementations has led to significant duplication, overcapacity, and non-standardization. The overspending of resources to support these independent actions has been at the expense of other business-related process improvements and innovations.

The Commonwealth can achieve significant fiscal benefits from consolidating technology resources and providing centralized services. For example, the multiplicity of data centers and servers can be consolidated to better maximize product functionality. Moreover, consolidating technology can help move the organization toward developing baseline technology standards utilizing enterprise-oriented, centralized applications. This approach will provide many benefits, such as seamless service and improved efficiency that will outlast individual projects and the current and future administrations.

The projects within this initiative are:

- Consolidate technologies;
- Develop a program for statewide information technology security; and
- Overhaul state administrative systems.

Project 1: Consolidate Technologies

From the standpoint of its business operations, Virginia state government can be characterized as a highly decentralized enterprise. The best business practices of decentralized enterprises, however, also include centralization of administrative and support functions where economies of scale and efficiencies of operation can be realized while still effectively sustaining multiple business organizations. Technologies that provide utility functions such as data centers, distributed computing assets, and help desks are examples of functions that are logical candidates for consolidation within Virginia's current IT environment. Consolidating these types of core technologies will allow the Commonwealth to provide more effective services at reduced cost.

Accomplishments

General

- Enacted VITA Legislation
- Conducted baseline Customer Satisfaction Survey
- Established Enterprise Service Director relationship role for each Cabinet Secretary

Distributed Computing (Integrated Services)

- Integrated 90 Agencies to VITA support per legislative requirements

- Established the shared desktop services model (Being used by 35 small agencies; 12 organizations via Memorandum Of Understanding)

- Created shared e-mail service with predefined price and service level

- Established VITA Customer Care Center that meets or exceeds industry standard performance measures

- Created desktop "COmmunity of INterest" (COIN) to facilitate standard procedures, tools, and configurations

- Remediated small agency technology environment to establish base-level security

Data Center Operations

- Created shared Windows service with predefined price and service profile

- Collocated 100 servers from agencies to the VITA data center

- Consolidated 24 servers into a single platform

- Created shared UNIX service with predefined price and service profile

- Established Portable Generator contract to support continuity of operations in case of power loss

Telecommunications and Wide Area Network (WAN)

- Connected Monroe Towers and VITA Data Center with high-speed connectivity and laser backup

- Renegotiated Verizon contract with $25M savings over 5 years

- Signed MCI contract saving $12M over 5 years

- Converted Virginia Department of Health and Military Affairs to COVANET from Network Virginia

- Increased Broadband capacity statewide through increased Verizon DSL contract

- Moved Voice over Internet Protocol (VoIP) initiative forward by 2 years through the Verizon contract

- Implemented Cisco Information Center to monitor data floor server performance

- Extended outreach program to localities, resulting in 22 new customers representing nearly $1M savings to these customers and $469K revenue to VITA

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	**Technology/Standards** Create standard performance measure for each service; begin to track service metrics across the enterprise Establish service profiles for key services not yet defined Perform IBM upgrade Re-introduce IT Infrastructure Library (ITIL) practices and associated processes/disciplines Continue to consolidate technologies associated with the Capitol Area Renovation and downtown Metropolitan Area Network (MAN) Extend downtown MAN to Greater Richmond Area (Sonet rings) **Skill-Set/Culture** Create baseline competencies for customer services Develop plans to create culture change to customer-centric mindset Develop employee placement strategy to balance skill sets with needs **Assuming Successful PPEA Comprehensive Agreements** Complete/sign Comprehensive Agreement in November 2005 Establish and begin implementation of the Commonwealth Infrastructure Help Desk Initiate enterprise desktop refresh Initiate enterprise e-mail refresh Establish primary data center Establish Commonwealth Enterprise Operations Center Establish Commonwealth Network Operations Center Implement enterprise wide monitoring and measurement tools Consolidate servers - ~20% reduction Initiate network redesign and implementation Establish Emergency Security Operations Center
2007	**Technology/Standards** Manage to performance measure and metrics; refine processes to improve performance Implement additional regional-based secure high capacity networks (Sonet rings) Consolidate network control centers Continue to mine for cost savings and avoidance opportunities Continue to consolidate technologies associated with the Capitol Area Renovation and extended Sonet MAN Complete small agency server consolidation Continue introduction of ITIL practices and associated processes/disciplines Define and implement baseline standard desktop image

Fiscal Year	Initiative
2007	**Skill-Set/Culture**
	Create career path model for each role
	Begin orchestrating employee moves to balance support needs and skill sets; train as necessary
	Assuming Successful PPEA Comprehensive Agreements
	Establish backup data center
	Continue implementation of the Commonwealth Infrastructure Help Desk
	Continue enterprise desktop refresh
	Continue enterprise e-mail refresh
	Consolidate servers - ~10% reduction
	Complete network redesign and implementation
2008	Continue standardization of enterprise technology solutions; establish upgrade/change path
	Begin medium agency server consolidation associated with the extended Sonet MAN
	Complete secure statewide high capacity network
	Have complete ITIL practices and associated processes/disciplines
	Assuming Successful PPEA Comprehensive Agreements
	Complete Commonwealth Infrastructure Help Desk (100% capacity)
	Continue enterprise desktop refresh
	Continue enterprise e-mail refresh
	Consolidate servers - ~10% reduction
	Continue network redesign and implementation
2009	Continue standardization of enterprise technology solutions
	Consolidate large/medium agency servers
	Assuming Successful PPEA Comprehensive Agreements
	Continue enterprise desktop refresh
	Continue enterprise e-mail refresh
	Consolidate servers - ~10% reduction
	Complete network redesign and implementation

Project 2: Develop Program For Statewide Information Technology Security

Maintaining a robust information technology security program is critical to ensure effective operation of the Commonwealth of Virginia's enterprise. Failure to prevent or contain intrusions may result in an inability to

access critical information in a timely manner and hamper the Commonwealth's ability to respond to emergencies. Cyber attacks may also result in financial loss, noncompliance with state or federal statutes, degraded customer service, and loss of public confidence.

The 2002 Strategic Plan stated Virginia should develop and implement a statewide IT security program:

- To ensure that a consistent level of IT security is achieved across the Commonwealth to protect the state's IT assets, attain high-level IT security skills, communicate IT security alerts and best practices, and respond to and recover from cyber attack; and

- To facilitate collaboration with other entities such as law enforcement, public affairs, internet service providers and other service providers for rapid response to security breaches.

The strategic plan also mandates a statewide IT security program will take into consideration, and will be inclusive of, protecting critical IT assets and infrastructure across executive branch agencies, institutions of higher education, and local governments, in cooperation with service providers and businesses where appropriate. The program will build upon the Commonwealth's security architecture and the published security policy, standard, and guideline.

In order to meet these requirements, and to ensure the confidentiality, integrity, and availability of the Commonwealth's information assets, the following milestones have been reached and future goals set.

Accomplishments

- Enabled VITA's Information Security program by implementing an Enterprise Information Security Office and Program Framework

- Ensured alignment on Information Security issues among VITA and agencies using its services by creating Information Security Officer Advisory Group

- Assured adequate protection of the Commonwealth's enterprise technology infrastructure by reviewing and beginning update of the Enterprise Information Security Policy and Standards

- Supported success of VITA transition by ensuring that all VITA agencies met minimum security standards

- Facilitated information security throughout the systems development by instituting a Security and Architecture review process

- Validated adequacy of VITA's contingency plans by conducting annual business continuity testing for VITA operations and annual disaster recovery test

- Currently managing risk throughout the enterprise by conducting risk assessment of VITA's operation center and infrastructure located in-scope agencies

- Complied with HB1330 by implementing minimal incident reporting function

- Created further alignment on information security issues by defining security roles and responsibilities for agencies and VITA

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	Integrate security with enterprise IT architecture and VITA business processes
	Review/improve enterprise and agency border / perimeter defense
	Implement information security performance and metrics program
	Implement security service programs for risk management, Enterprise Security Operations Center, and Security technology watch and research
	Implement data classification program
	Implement security baselines and configuration standards for IT assets
	Develop and implement security and awareness training program
2007 - 2009	Integrate security with IT architecture and VITA business processes
	Review/improve enterprise and agency border / perimeter defense

Project 3: Overhaul State Administrative Systems

Providing centralized, consolidated administrative systems can streamline the Commonwealth's payroll, accounting, personnel, and benefits processes; and can provide opportunities for data collection, data mining, and enterprise-wide reporting. The Commonwealth currently maintains multiple, aging administrative systems that are parochial to individual agencies that cannot effectively and efficiently support the enterprise business needs of state government.

The 2002 Strategic Plan called for an overhaul of these parochial state administrative systems such that these systems would be able to meet the business needs of the individual agencies and of the state as a whole.

Accomplishments

In response to unsolicited proposals for the overhaul of state administrative systems submitted to the Virginia Information Technologies Agency (VITA) by IBM and CGI-AMS under the provisions of the PPEA, in November 2004 the Governor approved the detailed review of those proposals by VITA in coordination with the Secretaries of Technology, Finance, and Administration.

Funding for the detailed review (establishing the business case) of the IBM and CGI-AMS proposals has been tentatively identified in the Commonwealth FY 2006 Appropriation Act.

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	Develop a plan for the detailed review of the PPEA enterprise applications proposals
	Establish the base case for overhaul of state administrative systems, including current processes and the automated systems which support them
	Evaluate IBM and CGI-AMS detailed proposals
	Negotiate Comprehensive Agreement (Contract) for enterprise applications and the overhaul of state administrative systems
	Obtain Governor's approval of a Comprehensive Agreement with IBM and/or CGI-AMS and publish a statewide implementation plan for the overhaul of state administrative systems
2007	Initiate overhaul of the state administrative systems
2008	Continue overhaul of state administrative systems
2009	Complete overhaul of state administrative systems

Introduction

The 2002 Strategic Plan observed that funding for IT should be evaluated and managed as an investment in assets contributing to the overall benefit of the Commonwealth. A capital planning and funding process should be established by which funding decisions are based on, and aligned with, appropriate investment return (hurdle) rates, over acceptable investment time periods.

If the Commonwealth makes effective investment in and implementation of information technology, potential savings could be realized. Development of comprehensive planning, budgeting, and tracking methods is essential and will define a structured, disciplined approach to ensure that effective investments are made and that a current inventory of statewide IT resources is maintained.

The projects within this initiative are:

- Develop a capital planning and funding process for information technology;

- Develop a comprehensive technology management policy; and

- Improve systems to track information technology expenditures.

Project 1:
Develop A Capital Planning And Funding Process For Information Technology

The 2002 Strategic Plan recommended that, to ensure the best value for the price paid, the Commonwealth's IT capital planning and funding process should emphasize strategic investments in enterprise-wide IT projects.

Accomplishments

- Established the IT Investment Board (ITIB) in Code of Virginia

- Completed the ITIB *Recommended Technology Investment Projects* (RTIP) report which set ITIB future direction for two-stage planning and funding process and budget bill identification

- Submitted VITA and ITIB budget request for Technology Infrastructure Fund; not approved in the Budget Bill.

- Conducting ongoing discussions among the CIO of the Commonwealth, the IT Investment Board, the Governor, General Assembly and the Department of Planning and Budget (DPB) regarding the current funding process and options for future funding processes

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	Implement two-stage planning process and funding request process to support project preliminary planning
	Develop structured collaboration opportunity evaluation and implementation process
	Redesign the RTIP report to emphasize strategic investments in enterprise-wide IT projects
	Establish major IT project budget bill identification process with DPB
	Submit legislative proposal for Technology Infrastructure Fund for major IT projects planning to Governor's Office and DPB
	Submit legislative proposal for IT capital planning and funding process to Governor's Office and DPB
	Complete review and approval of legislative proposal
	Introduce legislation
	Have legislation approved and enacted
2007	Publish policies, standards, and guidelines to implement IT capital planning and funding process (based on legislation)
	Incorporate IT capital planning and funding model process into the Commonwealth budget process
	Implement agency rollout and training on the IT capital planning and funding process
2008	Implement IT capital planning and funding model process.
	Implement reporting, monitoring and audit function to support IT capital planning and funding.
2009	Evaluate IT capital planning and funding process and outcomes and identify areas for improvement.

Project 2:
Develop A Comprehensive Technology Management Policy

When the 2002 Strategic Plan was published, a comprehensive technology management policy did not exist within the Commonwealth. Then current technology management practices provided little, if any, structured guidance on how technology investment decisions should be made. As a result, opportunities to enhance program and project management capabilities and to increase IT project success were diminished.

Accomplishments

- Published *Commonwealth Technology Management (CTM) Policy* and *CTM Glossary Standard*

- Published *Commonwealth Project Management Guideline* including completed project management forms and templates

- Published *Commonwealth Project Management Standard*

- Published *IT Strategic Planning Guidance*

- Completed Project Manager Development Program

- Implemented Commonwealth project manager mandatory training workshops.

- 88% of major IT projects rated "on track" by the CIO of the Commonwealth based on independent verification and validation (IV&V) reviews.

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	Publish *IT Strategic Planning Standard* Publish *Technology Portfolio Management Standard* Perform a Commonwealth IT Investment Management (ITIM) Capability Maturity Model (CMM) gap analysis. Establish ITIM CMM baseline and action plan. Implement ITIM awareness program through the Council on Technology Services (COTS). Perform CPM CMM gap analysis. Establish CPM CMM baseline and action plan. Publish *Enterprise Program Management Standard*
2007	Establish reference libraries. Execute action plan to mature IT Investment Portfolio management within the Commonwealth. Execute action plan and training to advance CPM capability. Implement enterprise program management within Secretariats and agencies where appropriate.
2008	Establish centers of excellence. Execute action plan to mature IT Investment Portfolio management within the Commonwealth. Execute action plan and training to advance CPM capability. Perform Commonwealth Enterprise Program Management (EPM) CMM gap analysis. Establish EPM CMM baseline and action plan.
2009	Execute action plan to mature IT Investment Portfolio management within the Commonwealth. Execute action plan and training to advance CPM capability. Execute action plan to advance Commonwealth EPM capability.

Project 3:
Improve Systems To Track Information Technology Expenditures

From the 2002 Strategic Plan: "Improving Commonwealth systems used to track technology budgeting and expenditures is essential to making sound, business investment decisions….Unless significant enhancements are made to the information systems now available, including the use of an expanded technology portfolio,

Commonwealth decision makers will continue to make significant business investment decisions without a clear understanding of the current and planned technology investments that support their business strategies."

Accomplishments

- Chartered the Commonwealth Technology Portfolio (CTP), Version 2 – Phase 1 Project

- Implemented the Commonwealth Technology Portfolio (CTP) Website

- Implemented Version 1 of Commonwealth Agency Technology Strategic Planning Application (CATSPA)

- Completed rollout of supporting investment management process changes to agencies

- Implemented the Asset Portfolio

- Produced the 2003 RTIP Report

- Implemented the Commonwealth Agency Technology Strategic Planning Application (CATSPA), Version 2 to automate the IT Strategic Planning Amendment Process

- Produced the 2004 RTIP Report

- Conducted a workshop for the IT Investment Board IT Projects Review Committee to define requirements for the 2005 RTIP Report

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	Charter the CTP Version 2, Phase 2 Project
	Procure and implement an IT Investment Portfolio Management tool
	Produce 2005 RTIP Report
	Implement new DPB strategic planning model and business objectives structure in the CTP
	Implement new enterprise business architecture in the CTP
2007	Implement IT Portfolio Management tool across all agencies
	Produce 2006 RTIP Report
	Work with General Assembly and Governor to implement 2006 RTIP Report as driver to the budget process for funding major IT projects
2008	Produce 2007 RTIP Report
	Implement the Asset Portfolio within the CTP
	Complete Stage 3 of the CMM: developing a complete investment portfolio
2009	Produce 2008 RTIP Report
	Complete Stage 4 of the CMM: improving the investment process

Initiative 4: Manage IT Procurement

Introduction

The 2002 Strategic Plan noted that procurement of technology (information technology and telecommunications) products and services for state agency and local government use is an essential component of managing technology in the Commonwealth. On July 1, 2002, the *Code of Virginia* was changed to authorize VITA to procure technology goods and services of every kind (i) for its own benefit or on behalf of other state agencies and institutions or (ii) by such other agencies or institutions to the extent authorized by VITA. This change provides…the opportunity to define and implement an improved technology procurement process that will enable the Commonwealth to consolidate and leverage its purchasing power for products and services and improve internal business processes associated with acquisition of technology, leading to a more efficient and effective use of Commonwealth funds and personnel and an ability to explore all options to focus on core business activities.

The project within this initiative is:

- Develop and implement a best practice model for IT procurement

Project 1: Develop And Implement A Best Practice Model For Information Technology Procurement

Based on the 2002 Strategic Plan, the new technology procurement business process would be based on best practices and would:

- Enable the Commonwealth to consolidate and leverage its purchasing power for technology products and services;

- Embrace and implement innovative solutions and tools to meet the Commonwealth's business, technology, and procurement requirements;

- Emphasize customer and vendor involvement; and

- Increase the use and usefulness of statewide technology contracts by the Commonwealth's organizational entities

Accomplishments

- Provided over $39 million in procurement savings and cost avoidance
  - Contract-related, FY04/FY05=$37.684M
  - Contract-related cost avoidance, FY04/FY05=$2.0M

- Established strategic procurements resulting in increased availability of multi-vendor statewide leveraged contracts that provide commodities at measurable savings over prior contract vehicles

- Increased availability of statewide contracts

- Leveraged statewide procurements

- Revised and standardized of VITA's contract vehicles and VITA's IT terms and conditions to maximize the discounting, value and service delivery to VITA and its customers while minimizing the risks to suppliers

- Developed and published VITA's *Guide to Technology Procurement* incorporating best practices policies for IT goods and services

- Re-designed Supply Chain Web site (http://www.vita.virginia.gov/procurement/procurement.cfm) to enhance ease of use and provide search and contract comparison capabilities

- Submitted legislation during the 2004 and 2005 General Assembly sessions to improve the ability for VITA to drive IT procurement savings and provide strategic discounted contracts for its customers

- Utilized alternative dispute resolution to resolve two contract award protests without litigation

- Implemented eVA for IT procurement for all executive branch agencies

- Integrated the ordering of IT goods and services into a single ordering process, in support of VITA consolidation

- Set the standard that all new VITA IT contracts are available for use by all public bodies

- Piloted usage of GSA contracts from Schedule 70

- Completed VITA reverse auction, saving $300,000

Plans for FY 2006 through FY 2009

Fiscal Year	Initiative
2006	Revise and Web-enable VITA's *Guide to Technology Procurement*
	Prepare and Web-enable VITA's *Supplier Manual*
	Complete implementation of standardized terms and conditions and contract templates
	Complete procurement and implementation of Phase I of the contract management system
	Increase marketing of statewide leveraged agreements to localities and other public bodies via VITA's Website and other marketing activities
	Increase diversification of the supplier base including increased IT opportunities for women-and minority-owned businesses, through increased subcontracting
	Increase use of contract consolidation opportunities to drive value and savings
	Examine opportunities to expand use of VITA's agreements to other states.
	Define and implement order processing procedures that support a VITA shared service model
	Develop and implement supplier management methodology
	Implement a vendor management program for statewide contracting and consulting services

Fiscal Year	Initiative
2007	Expand coverage of supply management program
	Integrate core Supply Chain Management (SCM) processes across the whole lifecycle of the supply chain
	Evaluate and pilot creative acquisition tools that increase efficiency
	Expand contract management to include VITA sales relationships, such as memorandum of understanding
2008	Develop and pilot a supplier innovation program
	Increase percentage of Commonwealth spending under actively managed agreements
	Continue to expand operational efficiencies for transactions systems through the exploitation of technology
	Expand demand management program and track effectiveness
	Expand category management methodology and increase number of categories that have a management plan
2009	Implement Phase II of supplier innovation program increasing joint collaboration
	Continue to roll out category and demand management programs
	Expand contract management to other public bodies
	Expand usage of supplier management programs to increase value for Commonwealth
	Expand Supply Chain process efficiencies to other public bodies, within, and external to, Virginia

The 2002 Commonwealth IT Strategic Plan has proven to be a well-focused platform for launching the comprehensive IT infrastructure transformation now well underway across Executive Branch agencies.   With the updates and additions provided herein, that plan has now reached the logical conclusion of a productive four-year planning cycle.

The advent of the current organizational structure for Commonwealth IT operations and governance—VITA, the Commonwealth CIO, and the IT Investment Board—has created new venues and channels for IT strategic planning in Virginia. To fully take advantage of those new opportunities, the ITIB has endorsed a comprehensive, inclusive process for creating the next Commonwealth IT Strategic Plan, covering the period 2007-2010. That process, to be initiated in early fall 2005, will involve both top-down policy direction from the ITIB as well as bottom-up input and initiative development from customer groups and other stakeholders. To remain synchronized with the new statewide strategic planning process outlined by the Council on Virginia's Future and promulgated and executed by the Department of Planning and Budget, the ITIB intends to approve and publish the new IT Strategic Plan in April 2006.